

Full Cost Decision Memorandum: Stand-downs and other activities (SA-02)

Issue:

How are safety stand-downs and other activities handled?

Source / reference:

LaRC Full Cost Implementation Team (2003-2004)
LaRC Office of the Chief Financial Officer (OCFO)

Background:

When a service activity resource is forced to stand down for safety or other reasons the fixed costs of the activity continue to be incurred at the Center. A policy for funding these fixed costs needs to be established.

Options:

1. Center projects carry the fixed costs of services during periods of stand-down
2. Center G&A carries the fixed costs of services during periods of stand-down
3. Safety and related stand-downs will be evaluated on a case-by-case basis

Decision:

Option 3. The stand-down of facilities is a Center-level decision. In that regard, the costs associated with safety stand-downs will be evaluated by Center Management on a case-by-case basis. Project funding and Center G&A are options for paying for stand-down costs. However, Center Management must approve the usage of G&A funds (investment account) for any such activities.

Approved by LaRC CFO (Ken Winter) 10/17/03
